

## REMARKS

Applicant respectfully requests reconsideration of the present application in view of the foregoing amendments and in view of the reasons that follow.

This amendment adds, changes and/or deletes claims in this application. A detailed listing of all claims that are, or were, in the application, irrespective of whether the claim(s) remain under examination in the application, is presented, with an appropriate defined status identifier.

Claims 1-3, 7-10, 14--18 have been amended and claims 6, 13 and 20 have been cancelled. New claims 21-23 have been added to further protect applicants' invention. Accordingly, claims 1-5, 6-12, and 14-19, and 21-23 are presented for examination.

The independent claims have been amended to cover a comprehensive supply chain solution, clarifying the context as a franchise supply chain composed of at least a plurality of independent stores, supplier and distributors. The independent stores, by themselves, have little leverage or negotiating power. However, by authorizing a supply chain manager to negotiate pricing deals with both distributors that directly supply goods to the stores, and with suppliers that produce and sell the goods to the distributors, significant leverage is obtained. The claims now include specific elements relating to the independent supply chain manager negotiating in advance of receiving current product sales data with a plurality of suppliers to set prices of various goods, which prices the suppliers may invoice if they receive an order from one of the distributors, the prices comprising product supply parameters; and the independent supply chain manager negotiating in advance of receiving current product sales data with a plurality of distributors to set mark-up amounts that may be added to the price of various ones of the goods, the mark-up comprising product supply parameters.

When store sales data is received, then ordering will take place based on the received sales data and typically a forecast and in some cases one or more of the product supply parameters. In this regard, see claim 5. For example, a product supply parameter in this context might comprise a remaining length of a promotion for a product.

Then, before or after an order is placed, a supplier may query a supply chain computer to determine a product supply parameter of, for example, a price corresponding to that supplier that it may charge to a given distributor. Likewise, a distributor may query the supply chain computer to determine the product supply parameter of a mark-up corresponding to that distributor that it may add to the price for the product charged by the supplier. The supply chain computer will determine the requested corresponding parameter and communicate the corresponding product supply parameter to the querying supply chain participant. Alternatively, the store or the supply chain manager may make the query prior to or after the order for purposes of, for example, auditing to make sure that the suppliers and distributors are complying with the contract prices previously negotiated with the supply chain manager. In either case, an electronic action is performed based on the corresponding supply chain parameters. See pages 246-250 of applicants' specification.

Note that a brand owner may determine some of the product supply chain parameters. For example, Burger King, a brand owner, could determine that a particular supplier for soda will be designated as an exclusive supplier, or may determine that a set amount of a product will or must be sold for a given promotion. See claims 3 and 4.

Note that dependent claims 21-23 have been added to include a subsequent audit step based on the supply chain parameters.

Claims 1-20 were rejected under 35 USC 103 using a two reference combination comprising Shavit et al. in view of Salvo et al. This rejection is respectfully traversed and reconsideration is requested.

Shavit et al. discloses a system for facilitating direct communications between independent buyers and sellers, and also facilitates the provision of payment services and freight services.

Salvo et al. discloses a system for monitoring an amount remaining in a silo and determining a best time to buy to restock the silo. The prices that Salvo refers to at column 3, lines 48-62 and column 6, lines 7-26 comprise, for example, lowest available inventory pricing relative to historical data, so as to determine the best time to buy inventory. Salvo has

nothing to do with managing a supply chain, or with an independent supply chain manager negotiating prices with independent suppliers and negotiating mark-up supply chain parameters with independent distributors in advance of receiving sales data. Salvo has no concern with creating leverage via a plurality of independent stores in a franchise supply chain taking the step of giving a supply chain manager authorization to negotiate prices with the distributors who supply them directly and the suppliers who supply the distributors. Likewise, Salvo does not disclose receiving POS data from stores. Likewise, Salvo does not disclose determining product supply parameters that correspond to a particular one of the supply chain participants, for example, a distributor, and communicating those parameters. Finally, Salvo does not disclose performing an audit operation, including a calculation step and a comparison step, per new claims 21-23.

Likewise, neither of these references discloses the situation of a brand owner setting one or more of the product supply parameters, per claims 2, 9, and 16.

Likewise, neither of the references discloses the determining to which distributor and supplier the sales data will be transmitted based on the product supply parameters, per claims 3, 10, and 17.

Likewise, neither of the references discloses using a look-up table to correlate the data to an appropriate price and amount, per claims 7 and 14.

In view of the foregoing amendments and remarks, reconsideration and withdrawal of the present office action is respectfully solicited, and early passage to issue is requested.

Applicant believes that the present application is now in condition for allowance. Favorable reconsideration of the application as amended is respectfully requested.

The Examiner is invited to contact the undersigned by telephone if it is felt that a telephone interview would advance the prosecution of the present application.

The Commissioner is hereby authorized to charge any additional fees which may be required regarding this application under 37 C.F.R. §§ 1.16-1.17, or credit any overpayment, to Deposit Account No. 19-0741. Should no proper payment be enclosed herewith, as by a

check being in the wrong amount, unsigned, post-dated, otherwise improper or informal or even entirely missing, the Commissioner is authorized to charge the unpaid amount to Deposit Account No. 19-0741. If any extensions of time are needed for timely acceptance of papers submitted herewith, Applicant hereby petitions for such extension under 37 C.F.R. §1.136 and authorizes payment of any such extensions fees to Deposit Account No. 19-0741.

Respectfully submitted,

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By 

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